



# MUTUAL INTERESTS

## EVERY CUSTOMER COUNTS

This year brought many changes to Builders Mutual and the building industry as a whole. We sat down with President and CEO, John Boggs to ask him a few questions and gain his perspective on the economy, state of the Company and his thoughts about the future.



JOHN BOGGS

**This year Builders Mutual celebrated our 25th anniversary. Why does twenty-five years of safety and stability matter?**

Let's start with twenty-five years of safety. As a company, we have been very successful improving jobsite safety. If employees are safe it doesn't cost as much in claims and we can offer better rates to our policyholders. Safety pays—literally. Now stability, we specialize in construction—residential and commercial—and we have done it consistently for twenty-five years. It's our niche; it is what we do and we do it well.

**What differentiates us from our competitors?**

The main thing that differentiates us is that we **specialize** in construction. Many of our competitors write restaurants, factories, every kind of business that you could imagine. They are so diversified that it is hard for them to understand all the industries they insure. We specialize in construction so we have a better understanding of what is involved in the industry.

Another thing that makes us different is that we are proactive in educating our policyholders, their employees and our agents on maintaining safe jobsites. We have been recognized by the North Carolina Department of Labor as a company that has gone beyond the norms to educate our customers on jobsite safety.

**Why is our financial status as a company important to our customers?**

Our financial status as indicated by AM Best is an A (Excellent) and we have maintained that rating for ten years. When a builder buys an insurance policy, they should buy that policy from a company that will be there to meet their needs. As a company, we are financially sound and stable and we will be there for our policyholders.

**The economy is still challenging. How are things at Builders Mutual right now?**

This year has been one of the most challenging years in our history. From a financial standpoint, our premiums are down 30-35%. Everyone has been hit by the economy—our policyholders, agents and competitors. The housing sector of the economy has been hit harder than others, but we are still writing new business. Policyholders are staying with us even though they aren't working. The monthly self-reporting form helps out with that. When the economy recovers and building resumes, we will be in good shape. That's where our focus is now—trying to get ready to be in a good place when housing recovers.

**We added four more states to our territory. Does that change our focus or the level of service we provide?**

Builders Mutual began with one line of business in one state—workers' compensation in North Carolina. We grew to provide other lines of business that our market needed like general liability and commercial auto. We expanded into the three other states of Tennessee, South Carolina and Virginia. Recently, we added Georgia, Maryland, Mississippi and Washington, DC. That does not take any focus away from what we want to do. We will continue to provide the same high level of service to new and existing policyholders in all of our markets. *Continued on Page 2 »*

## EVERY CUSTOMER COUNTS

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### **What are some of the current initiatives that make things easier for our policyholders?**

Right now, we are doing things to help policyholders when we can. Recently, we implemented credit card payment capability. Policyholders can make payments using their credit card by contacting our Premium Accounting department. Additionally, we implemented the Trade Contractor program which is a specialized general liability policy directed at those who work in the various trades.

### **What challenges do you see in the future for Builders Mutual?**

The biggest challenge right now is the economy. Unemployment is high and we anticipate that it will remain that way for quite sometime. When you write workers' compensation insurance you are insuring people who are working. If people aren't working and building houses, our challenge continues.

Internally, we remain focused on positioning ourselves for the future. We are upgrading our systems and plan to improve some of the products and services we provide.

### **What do you think is important for policyholders to know and say about Builders Mutual?**

We want our policyholders to have confidence that we will provide the coverage they need, that we are financially stable and can meet their expectations; that we go above and beyond to make sure their employees stay safe. We want them to say they do have that confidence in Builders Mutual and that we are willing to go the extra mile during these hard economic times.

The housing market will improve and we want policyholders who have weathered this storm with us to know that we are still going to be there.

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## BUILDING FOR THE FUTURE

We are currently in an economy that many of us have never experienced before. How can your business prepare for the ups and down of market trends? By Building for the Future, of course! In light of the current economic trends, Builders Mutual created a class designed to help business owners grow and prosper even in trying times.

Building for the Future was presented for the first time on August 18, 2009 to 40 attendees. The class consisted of three distinct sections taught by three different instructors. Housing Trends was presented by Ed Dunnivant of Metro/Study Corporation, Survive and Thrive was presented by Vince Butler, Butler Brothers Corporation, and Communication Landmines was presented by Marty Clarke. Each of the three sections applied strongly to current economic conditions and the information presented in each was well received by attendees.

Attendees who implement the information they received will be able to apply tips to survive a crisis, position themselves for future growth opportunities and communicate with confidence about the success of their business.

Building for the Future is a one of a kind program created just for builders to gain insight in overcoming the current economic crisis and uncovering opportunities for future business growth.



» Building for the Future attendees take notes during one of the course's three sections. Forty builders attended the course taught at BMIC headquarters in Raleigh, NC.

## BMIC CONTINUES HISPANIC OUTREACH

Builders Mutual is proud of our ties to the Hispanic community; one of our initiatives is to continue to strengthen these ties through training and education. On October 28 and November 13, 2009, Builders University hosted two classes at our Raleigh headquarters that were taught completely in Spanish.

The fall protection courses were presented by BMIC Risk Management Consultant Ivette Mercado-Bikersma who is not only bilingual but also bicultural. A native of Puerto Rico, Mercado-Bikersma has a unique ability to connect with Hispanic customers and communicates in a way that they fully grasp and understand the importance of the Fall Protection program. During the class, she discussed the importance of using fall protection on jobsites and the various means of fall protection that are available. She also discussed the potential for injury that exists if fall protection is not used.

» *Ivette Mercado-Bikersma answers a question during the first of two Hispanic Fall Protection classes held at Builders Mutual.*



Michele Hemric, Director of Training stated, "Builders University is thrilled to partner with these builders to help them establish jobsite safety procedures and ensure safe construction sites. Businesses that focus on training and education have always set themselves apart from the rest. These builders are learning how to reduce fall hazards and potentially avoid costly OSHA fines."

If you are interested in attending a Fall Protection course in English or Spanish in your area, go to [www.buildersmutual.com/BU](http://www.buildersmutual.com/BU).

## 21<sup>ST</sup> CENTURY RECAP—BMIC GOES GREEN

You are a winner! That's the phrase Builders Mutual staff found themselves repeating over and over this year at NCHBA's 21st Century Building Expo and Conference. Hundreds of attendees took their turn pulling the arm of our jackpot machine at an attempt to win a 2010 hybrid Chevrolet Tahoe. The Tahoe went safely back to City Chevrolet in Charlotte, but thanks to the jackpot machine many attendees walked away with prizes including BMIC tape measures, coffee mugs, umbrellas, levels, t-shirts and hats.

The Expo, held September 17-18, 2009 at the Charlotte Convention Center, was well attended and informative. Vendors were available to talk to attendees about their products and services. BMIC was no exception and this year our theme was "Going Green." BMIC gave away nearly 1,000 re-usable shopping bags.

Two lucky winners, Jeff Zackeru, Zackeru Builders, LLC of Supply, NC and Danny Kelly, Kelly McArdle Construction of Charlotte, NC, received the opportunity to earn their Certified Green Professional designation compliments of Builders Mutual.

During the Conference, the NCHBA hosted the Stars Award Gala and the Builder Blast. Builders Mutual was honored to be a part of both of these events.







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## CREDIT CARD PAYMENTS AVAILABLE!

Builders Mutual is excited to announce that we are now able to accept credit cards to process payments. This option is available for active policies (not quotes or new business) on all lines of business and can be used to pay audit balances, monthly pay plan installments, collections, and workers' comp monthly reporting worksheet premium (a copy of the current completed worksheet needs to be faxed or e-mailed to BMIC prior to credit card payment).

The process is simple. Call our Premium Accounting department at 1-800-809-4860, ext. 554. Provide your company name, policy number and credit card information and we do the rest.

This new payment option provides a quick and easy way for you to pay your bills. There are no fees charged to you for paying by credit card.



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# RISKY BUSINESS

## SAFETY STUFF: SAFETY GLASSES FOR EYE PROTECTION

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Eye protective devices have been used in the construction industry since 1910. Through the years many workers have been spared injury because they wore their eye protection at the right time.

Sometimes a flying particle will strike with the force of a bullet. To protect the eyes from such things as nails, wood chips, metal shavings, and other building-related flying particles and chemicals, you should wear the appropriate eye protection. Depending on the job, you should wear safety glasses, goggles, a full-face shield, or other special eye/face protection. Safety STUFF through [buildersmutual.com](http://buildersmutual.com) offers several options for eye protection. They are modern enough to be stylish and safe at the same time. Be sure to check out the options available!



## POWER TOOL SAFETY

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Power tools can be hazardous when improperly used. There are several types of power tools, based on the power source they use: electric, pneumatic, liquid fuel, hydraulic, and powder-actuated. Employees should be trained in the use of all tools. They should understand the potential hazards as well as the safety precautions to prevent those hazards from occurring. The following general precautions should be observed by power tool users:

- Never carry a tool by the cord or hose.  
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- Never yank the cord or the hose to disconnect it from the receptacle.  
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- Keep cords and hoses away from heat, oil and sharp edges.  
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- Disconnect tools when not in use, before servicing and when changing accessories such as blades, bits and cutters.  
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- Keep observers at a safe distance from the work area.  
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- Secure work with clamps or a vise, freeing both hands to operate the tool.  
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- Avoid accidental starting. The worker should not hold a finger on the switch button while carrying a plugged-in tool.  
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- Tools should be maintained with care. They should be kept sharp and clean for the best performance. Follow instructions in the user's manual for lubricating and changing accessories.  
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- Be sure to keep good footing and maintain good balance.
- Wear proper apparel. Loose clothing, ties, or jewelry can become caught in moving parts.
- All portable electric tools that are damaged should be removed from use and tagged "Do Not Use."

## GUARDS

Hazardous moving parts of a power tool need to be safeguarded. For example, belts, gears, shafts, pulleys, or other reciprocating, rotating, or moving parts of equipment must be guarded if such parts are exposed to contact by employees. Guards, as necessary, should be provided to protect the operator and others from the following:

- Point of operation
- In-running nip points
- Rotating parts
- Flying chips and sparks.

Safety guards must never be removed when a tool is being used. For example, portable circular saws must be equipped with guards. An upper guard must cover the entire blade of the saw. A retractable lower guard must cover the teeth of the saw, except when it makes contact with the work material. The lower guard must automatically return to the covering position when the tool is withdrawn from the work.

## SAFETY SWITCHES

The following hand-held powered tools must be equipped with a momentary contact "on-off" control switch: drills, tappers, fastener drivers, horizontal, vertical and angle grinders with wheels larger than 2 inches in diameter, disc and belt sanders, reciprocating saws, saber saws, and other similar tools. These tools also may be equipped with a lock-on control provided that a single motion of the same finger or fingers that turn it on can accomplish turnoff.

The following hand-held power tools may be equipped with only a positive "on-off" control switch: platen sanders, disc sanders with discs two inches or less in diameter; grinders with wheels two inches or less in diameter; routers, planers, laminate trimmers, nibblers, shears, scroll saws and jigsaws.

Other hand-held powered tools such as circular saws having a blade diameter greater than 2 inches, chain saws, and percussion tools without positive accessory holding means must be equipped with a constant pressure switch that will shut off the power when the pressure is released.